



GSA National Capital Region

FEB 22 2011

(b) (6)

Vornado/Charles E. Smith
2345 Crystal Drive
Suite 1000
Arlington, VA 22202

Re: Freedom of Information Act (FOIA) Request No. 189078

Dear (b) (6)

This letter is in response to your Freedom of Information Act (FOIA) request, dated February 7, 2011, in which you requested "a copy of the SF-2 for 90 K Street, NE GS-11B02233."

Enclosed is a copy of the requested information. This completes the action on your request. Should you have any questions, please do not hesitate to contact Toni Slappy, FOIA Coordinator, at (202) 619-6200.

Sincerely,

(b) (6)

Claire L. Fortune
Director
Office of Organizational Resources
Public Buildings Service

Enclosure

U.S. General Services Administration
301 7th Street, SW
Washington, DC 20407-0001
www.gsa.gov

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE: 11/22/2010

Lease No. GS-11B-02233

THIS LEASE, made and entered into this date by and between Sentinel Square I, LLC

whose address is: c/o Trammell Crow Company
1055 Thomas Jefferson Street, NW, Suite 600
Washington, DC 20007
Attn : Thomas E. Finan

and whose interest in the property hereinafter described is that of **OWNER**, hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 52,886 BOMA Rentable Square Feet (BRSF) of office and related space, yielding 45,600 ANSI/BOMA Office Area square feet (ABOASF) and being a portion of the 6th floor and the entire 7th Floor in the building known as Sentinel Square I, located at 90 K Street, NE, Washington, DC 20002-4217 to be used for SUCH GENERAL OFFICE AND RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See floor plans of leased premises included as Attachment A).

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a ten (10) year firm term commencing in accordance with the terms of the Solicitation for Offers (SFO) No. 9DC2554. The parties will execute a Supplemental Lease Agreement (SLA) after the commencement date to memorialize the commencement and expiration dates of the lease term.
3. The Government shall pay the Lessor annual rent of \$2,260,876.50 (\$42.75/BRSF, \$49.58/ABOASF) at the rate of \$188,406.38 per month in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of (b) (4). The Lessor shall waive and abate the first nine (9) months of the Base Rent. A tenant improvement amount of (b) (4) is included in the annual rent (\$3.63/BRSF, \$4.21/ABOASF). Rent checks shall be made payable to: Sentinel Square I, LLC c/o Trammell Crow Company, 1055 Thomas Jefferson Street, NW, Suite #600, Washington, DC 20007 or in accordance with the provision for electronic payment of funds.
4. Intentionally Deleted
5. Intentionally Deleted

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

- A. All services, alterations, repairs, and maintenance, as defined by this Lease, the SFO, and its Attachments are included as a component of the rent.
- B. In accordance with Paragraph 2.4 "Broker Commission and Commission Credit" of the Lease, Jones Lang LaSalle is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Jones Lang LaSalle have agreed to a cooperating lease commission of (b) (4) of the lease value. The total amount of the commission is (b) (4). In accordance with the "Brokerage Commission and Commission Credit" paragraph, Jones Lang LaSalle has agreed to forego (b) (4) of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is (b) (4) and shall be paid as free rent in equal monthly installments of (b) (4) during the tenth (10th) and eleventh (11th) months of the lease term. The Lessor agrees to pay Jones Lang LaSalle the Commission less the Commission Credit as follows: (a) (b) (4) which shall be due to Jones Lang LaSalle upon execution of this lease by the Government and payable within 30 days of the receipt of an invoice and (b) (b) (4) upon the lease commencement date and payable within 30 days of receipt of an invoice.

Notwithstanding Paragraph 3 of this Standard Form 2, rental payments due and owing under the lease shall be reduced in the 10th and 11th months of the lease term to recapture this Commission Credit. The credit for the 10th month is (b) (4) and thus the total rent due for the 10th month shall be (b) (4). The credit for the 11th month shall be (b) (4) and thus the total rent due for the 11th month shall be (b) (4).

- C. For purposes of Paragraph 4.2 of the SFO, as of the date hereof, the Government's percentage of occupancy is 12.82%, based upon occupancy of 52,886 BRSF in a building 412,661 BRSF. Evidence of payment of taxes shall be furnished as provided by Paragraph 4.2 C and D of the SFO.
- D. The Lessor shall provide to the Government a Tenant Improvement Allowance of \$1,918,848.00 (\$42.08/ABOASF x 45,600/ABOASF). Such allowance shall be available in full immediately upon execution of this Lease, but shall be held by the Lessor until directed by the Government on how the disbursement of funds shall occur. The Government shall have the full latitude to direct disbursement of funds in accordance with the SFO and/or offset the Government's rental obligation to the Lessor in accordance with Paragraph 3.3 "Tenant Improvement Rental Adjustment." This Tenant Improvement Allowance is included in the rent, with the \$42.08/ABOASF being amortized at a rate of 0% over the entire 10 year lease term. If the Government does not utilize the entire Tenant Improvement Allowance included in the rent, the rent shall be adjusted downward using the 0% amortization rate. In addition to the Tenant Improvement Allowance included in the rent, Lessor has agreed to allow the Government to increase the Tenant Improvement Allowance by up to \$20.00/ABOASF which amount shall be amortized at 7% per annum and added to the rent. A mutually agreed upon Supplemental Lease Agreement (SLA) will be executed upon Government's acceptance of the space as substantially complete that finalizes the rent using the final Tenant Improvement Allowance utilized. The actual cost of the Tenant Improvements will be determined by the competition and cost proposal process as set forth in Paragraph 3.2 "Tenant Improvements Included in Offer", Paragraph 3.3 "Tenant Improvement Rental Adjustment" and Paragraph 5.2 "Tenant Improvement Pricing Requirements."
- E. In connection with the buildout of tenant improvements, the following limits on markups, fees and design costs shall apply. General Conditions shall not exceed 5%, the General Contractor's Fees shall not exceed 2%, the Lessor's Project Management Fees shall not exceed 3%. The combined total of the foregoing markups shall not exceed 10%. The A/E Fees shall not exceed \$4.59/ABOASF.
- F. In accordance with SFO Paragraph 4.5 of the SFO, as part of the rental consideration set forth in Paragraph 3 of this SF-2, services, utilities and maintenance shall be provided daily, extending from 7:00 am to 6:00 pm, except Saturday, Sundays and federal holidays ("Normal Hours"). Overtime beyond the above referenced Normal Hours shall be provided at a rate of \$20.00 per hour per floor for the first 200 hours and \$25 per hour per floor after the 200th hour. The foregoing HVAC rates shall escalate in a manner consistent with Paragraph 4.3 of the SFO, "Operating Costs". The foregoing overtime HVAC rate is inclusive of all labor, maintenance, service and engineering fees. Notwithstanding, the hours of HVAC service, the Government shall have access to the leased space and appurtenant areas at all times without additional payment, including the use, during other than Normal Hours, of necessary services and utilities such as elevators, toilets, lights, and electric power.
- G. In accordance with SFO Paragraph 4.4, the adjustment to the rent for space previously occupied by the Government and then vacated is \$4.64 per ABOASF.
- H. In the event of a conflict between this SF-2 and any other documents that comprise the Lease, the SF-2 shall govern.

7. The following are attached and made a part hereof:

- A. Floor Plans for the Leased Premises (2 pages)
- B. Solicitation for Offers No. 9DC2554 dated May 26, 2010 (57 pages)
- C. Amendment #1 to Solicitation for Offers No. 9DC2554, dated May 27, 2010 (1 page)
- D. GSA Form 1217 titled Lessor's Annual Cost Statement (1 page)
- E. GSA Form 3517B titled GENERAL CLAUSES (33 pages)
- F. GSA Form 3518 titled REPRESENTATIONS AND CERTIFICATIONS (11 pages)
- G. Pre-Lease Building Security - Rider #1 (1 page)
- H. Fire Protection & Life Safety - Rider #2 (1 page)
- I. Small Business Subcontracting Plan (13 pages)

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: Sentinel Square I, LLC, a Delaware limited liability company

By: TC 90 K Street LLC, a Delaware limited liability company, its manager

By: TC MidAtlantic Development III, Inc., a Delaware corporation, its sole member

BY: _____

TITLE: Senior Vice President

IN PRESENCE OF: _____

ADDRESS: 1055 Thomas Jefferson Street, NW, # 600,
Washington, DC 20007

UNITED STATES OF AMERICA

BY: _____

JIM PHELAN

CONTRACTING OFFICER, GSA, NCR